

PROPOSED CONSTITUTIONAL AMENDMENTS

SENATE JOINT RESOLUTIONS

S.J.R. No. 4

SENATE JOINT RESOLUTION

proposing a constitutional amendment authorizing the issuance of \$750 million in state general obligation bonds or revenue bonds to assist school districts in partially financing facilities, authorizing the state to forgive payment of loans made to a school district for partially financing facilities, and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund.

Be it resolved by the Legislature of the State of Texas:

SECTION 1. Article VII, Section 5, Subsection (b), of the Texas Constitution is amended to read as follows:

(b) The legislature by law may provide for using the permanent school fund and the income from the permanent school fund to guarantee bonds issued by school districts. *The legislature by law may provide for the issuance of general obligation bonds or revenue bonds of [or by] the state for the purpose of making loans to or purchasing the bonds of school districts for the purpose of acquisition, construction, or improvement of instructional facilities including all furnishings thereto. The state, pursuant to general law, may forgive the payment of principal and interest on all or part of a loan made to a school district under this section to partially finance an instructional facility [If any payment is required to be made by the permanent school fund as a result of its guarantee of bonds issued by the state, an amount equal to this payment shall be immediately paid by the state from the treasury to the permanent school fund. An amount owed by the state to the permanent school fund under this section shall be a general obligation of the state until paid].* The amount of bonds authorized hereunder shall not exceed \$750 million. *While any of the general obligation bonds issued under this subsection or any of the interest on those bonds is outstanding and unpaid, there is appropriated out of the first money coming into the state treasury in each fiscal year, not otherwise appropriated by this constitution, the amount sufficient to pay the principal and interest on those bonds that mature or become due during that year [or a higher amount authorized by a two-thirds record vote of both houses of the legislature].* If the proceeds of bonds issued by the state are used to provide a loan to a school district and the district becomes delinquent on the loan payments, the amount of the delinquent payments shall be offset against state aid to which the district is otherwise entitled.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held May 1, 1993. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment authorizing the issuance of \$750 million in state general obligation or revenue bonds to assist school districts in partially financing facilities, authorizing the state to forgive payments of loans made to a school district for partially financing facilities, and repealing the authorization for \$750 million in state revenue bonds guaranteed by the permanent school fund."

Adopted by the Senate on January 28, 1993, by the following vote: Yeas 30, Nays 1; and that the Senate concurred in House amendments on February 22, 1993, by the following vote: Yeas 29, Nays 2. Adopted by the House, with amendments, on February 22, 1993, by the following vote: Yeas 103, Nays 39.

Filed with the Secretary of State, February 23, 1993.